

## “Skills Strengthening for Industrial Value Enhancement [STRIVE]”

### National Virtual Workshop on Procurement

Wednesday, February 17, 2021 : 11 AM-1:45 PM

A National level virtual Workshop on Procurement was organized by the “**National Project Implementation Unit (NPIU)**” of the “**Directorate General of Training**” under the “**Ministry of Skills Development and Entrepreneurship**”, the nodal wing for STRIVE, on Wednesday, 17<sup>th</sup> February, 2021, with support of the World Bank. The purpose of the workshop was to familiarize all procuring/implementing entities under STRIVE with key procurement requirements and fiduciary framework under which STRIVE is being implemented as outlined in the Operations Manual of STRIVE. Topics covered were legal and operational aspects of procurement, legal requirement to comply with Procurement Program Action Plan [PAP] with regard to procurement, procurement documentation requirements for integrated Program Audit, i.e., procurement-cum-financial management audit, procurement complaint handling protocol and its integration with Grievance Redressal Mechanism (GRM), procurement reporting requirements and various formats developed by NPIU for use of state and sub-state procuring entities, procurement disclosure requirements, requirement of applicability of Bank’s Anti-corruption Guidelines [ACG] and Bank’s list of debarred firms and individuals<sup>1</sup>, etc.

The virtual workshop was attended by about 471 participants representing Industry Clusters [ICs], Government and Private Industrial Training Institutes [ITIs], State Project Implementation Units [SPIUs] participating under STRIVE. This was an interactive workshop with participants seeking clarifications as well as providing suggestions for consideration of NPIU. Key questions raised during the workshop and response provided by NPIU is listed out in the following pages for common understanding.

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<sup>1</sup> <https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>

**Questions asked by Participants and Answered by NPIU, and, Response of NPIU to Clarifications and Suggestions put Forth by Participants**

**Q1.** Sir please share these slides through e mail also to ITIs.

**A1.** *Procurement Workshop's PPT is available at:*  
<https://dgt.gov.in/sites/default/files/pdf/ProcurementRequirementandArrangementsPPT.pdf>

**Q2.** Kindly explain column number 5. i.e., 'Result Area' in PP format.

*There are 4 Results Areas under STRIVE. These are as follow :*

*Result Area 1: Improving Performance of ITIs*

*Result Area 2: Increased capacities of State Governments*

*Result Area 3: Improved teaching and learning capabilities*

*Result Area 4: Improved and broadened apprenticeship training*

**Q3.** Earlier PP estimated cost was put in lakhs. Whether it has to keep same lakhs or just in INR??

**A3.** *Actuals in Indian Rupees [INR].*

**Q4.** As like GeM can we use ELCOT TAMILNADU?

**A4.** *GEM is Government E Marketplace where sellers put up their products to public buyers. Electronics Corporation of Tamil Nadu [ELCOT] is a Public Sector Enterprise that will be doing procurement on your behalf. Although in principle this is ok to entrust your procurement requirement to a government PSE, it is advised to reaffirm this from TN Procurement Act and Rules/find out if procurement policies of ELCOT are aligned with those in TN Transparency Act and Rules. In any case, all 'procurement related documentation [reference para 4.2.7 of the Operations Manual] in addition to documentation related to compliance with Procurement PAP will be required to be shown to Auditors who will be doing the Integrated Audit of which procurement is a part.*

**Q5.** We have made the procurement plan of 1st year mentioning approximate rates. During the procurement process, rates of some of items are more and some are less. Suppose total amount of approximate rate was INR 55 Lakhs for all the items and actual rates is INR 60 Lakhs. In this case some of items will be left out. In 2nd case if actual rate is less than approximate rate. What is the method of changing procurement plan in both cases? 1

**A5.** *Procurement plan is a 'plan' – a plan can change/it is not cast in stone. Procurement plan can change based on need and situation. Update of a procurement plan may include an update in any or all of the following : change in method of procurement, cost estimates, description of the item to be procurement; change in procurement planning dates; change; substantial change in quantity of items to be procurement that would alter the cost estimates significantly, etc.. Any change/update in*

*procurement plan would require approval from the competent authority that approved the original/initial procurement plan. Once this approval has been obtained, the updated procurement plan will need to be displayed in public domain – the heading of the updated procurement plan would include words ‘Update 1 dated.....’. A subsequent update would follow the same procedure and the heading would be updated to read ‘Update 2 dated .....’, and so on, and so forth.*

*Kindly also refer to sub-paragraph 6 of Paragraph 4.2.5.1 on page 114 of the Operations Manual.*

**Q7. Please send the PPT and Formats for all STRIVE ITIs.**

**A7. Presentation and formats are available on DGT website: [dgt.gov.in](http://dgt.gov.in)**

**Q8. The financial progress shall be considered in respect of the physical progress and not in respect to total progress.**

**A8. You are correct when you say the financial progress shall be considered in respect of the physical progress and not in respect to total progress. However, as we are monitoring the entire contract and not milestones of each contract monitoring and reporting on each milestone may not give a clear picture of the contract as a whole. Financial progress is a proxy of physical progress and may be reported for a particular contract as a whole.**

**Q9. Please provide list of formats due at state or ITI level as per state wise that will be very much helpful to speed up the due data in stipulated time.**

**A9. The downloaded version of all the formats are available at :  
<https://dgt.gov.in/download-guidelines-strive>**

**Q10. The trades approved to open in Govt. ITI Sonipat needed more budget than allocated budget [INR 118 Lakhs]. Can more budget will be given to Govt. ITI Sonipat to run the approved trades ?**

**A10. Budget has been provided to eligible ITIs as per approved allocation under STRIVE. No more budget can be provided from Government of India.**

**Q11. It is suggested that a common website for display of procurement data be provided at national level if possible. This will be easy and useful for all stake holders as it has all information at one place.**

**A11. State-wise all procurement related data would disclosed at [dgt.gov.in](http://dgt.gov.in)**

**Q12. Is Operations Manual is available in public domain?**

**A12. Yes it is available in the public domain and is available at:  
[https://dgt.gov.in/sites/default/files/NSC%20Approved\\_STRIVE\\_OperationsManual\\_v1.0.pdf](https://dgt.gov.in/sites/default/files/NSC%20Approved_STRIVE_OperationsManual_v1.0.pdf)**

**Q13. Is GST registration is mandatory for Venders?**

**A13.** *Yes, GST registration is mandatory as per Government of India Guidelines.*

**Q14.** **What type of report shall a contractor submit in response to civil work?**

**A14.** *It may be noted that minor civil works, major civil works pertaining to construction of buildings, etc. are not permitted under any Result Area of STRIVE. Any exception to this must be properly justified by the procuring entities and be submitted to NPIU for its approval before implementation.*

**Q15.** **Is State Steering Committee [SSC] approval required for Procurement Plan?**

**A15.** *In case of SPIU, the procurement plan should be approved by SSC<sup>1</sup>. However, in case of Government and Private eligible ITIs, Procurement Plan should be approved from their Institute Management Committee [IMC]. In case any deviation from guidelines, approval of SSC would be solicited in that case.*

**Q16.** **Can any State/ITI/IC use other procurement rules such as WB procurement guidelines, GFR which is not applicable for them?**

**A16.** *Table 33 of the Operations Manual of STRIVE provides this answer - applicable procurement rules/guidelines have been categorized. Only applicable procurement rules will be followed by concerned State/ITI/IC as reflected therein.*

**Q17.** **When we are procuring through e-tender how will we estimate the cost of a product as it may vary widely?**

**A17.** *Some methods of determining cost estimates in a Procurement Plan may be as below :*

- *Recent catalogue/established price list of a product available to the general public;*
- *Historical price/history of the purchase of the item over several years + Inflation [to be supported with Purchase Order];*
- *Price based on prior competition; and*
- *Contract award notices for similar items*

*Also refer to Para 1 on Page 111 of the STRIVE Operations Manual that is self-explanatory.*

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<sup>1</sup> Reference Page 21 of the Operations Manual, Para 2.3.1 of the Operations Manual